

customer agreements in the case of PIC changes¹. We believe that a properly designed recording process can meet the requirements set out by the commission for PIC changes, i.e. to: (1) be an independent third party, (2) operate in a location physically separate from the telemarketing representative, and (3) confirm and include appropriate verification data.

Note that audio recordings are well established as a form of evidence throughout the legal system:

Audio recordings, unlike video recordings, have long been regarded as independent, substantive evidence, and those recordings that are a fair representation of a transaction, conversation, or occurrence are generally admissible. In principle, therefore, there is no reason why audio recordings might not be used as substantive evidence in virtually every type of legal context, including, but not limited to criminal and civil lawsuits, administrative hearings, arbitrations, and local government hearings.²

A very recent example of the use of audio recordings by regulators is the Federal Trade Commission's Telemarketing Sales Rule, which provides for audio recordings as a means of documenting a customer's oral authorization to have the checking account debited.

The method described offers many advantages:

- 1) It properly records the customer's consent.
- 2) It provides a better record.
- 3) It is comparatively free from manipulation.
- 4) Records can be efficiently accessed and reviewed when necessary.
- 5) It is capable of gathering consents economically, efficiently and effectively for carriers.

These advantages are discussed in detail below:

Advantage #1: Oral notification and consent are more meaningful for many consumers.

We believe that it is important to provide both for customers to prohibit unauthorized use of CPNI and to allow authorized use, since many customers may find it convenient to deal with only one telephone company and CPNI use facilitates that.

In the NPRM, the commission notes that "Written authorization provides greater protection to both consumers and the carrier than oral authorization...". While this is may be true for people who read, there are many people for whom written communication is less desirable. There are several classes of customers for whom oral consents are a better means of ensuring customer wishes are followed:

a. Illiterate consumers

40-44 million Americans have very low levels of functional literacy.³ These people may sign a written document without understanding its meaning and purpose. In such cases, an oral consent is far more meaningful than a signed document.

b. Consumers whose primary language is not English

Between six and fourteen million people have a primary language other than English.⁴ In a oral recorded system, the carrier's representative can request the consent in the customer's primary language.

¹ 47 CFR Ch.1 (10-1-95 Edition), 96

² Gruber, Poza & Pellicano, "Audio Recordings: Evidence, Experts and Technology", Am Jur Trials, 48:1, 139-140.

³ "Survey of adult literacy", Society, Jan-Feb 1994 v31 n2 p2(2)

Alternatively, the recording system can be programmed to play pre-recorded consent requests in the preferred language of the customer, solving carrier's staffing problems in finding a sufficient numbers of language proficient telephone representatives.

c. Consumers who do not read

Finally, there are those who can read, but don't. Many customers dispose of carrier mail without actually reading it. In addition, in an age of shortened attention spans, there is simply no guarantee that the customer who signed a consent form actually read what they were agreeing to. As one commentator put it:

Perhaps more worrisome is that Americans who can read, don't. The buzzword is "aliteracy." Beckoned by countless alternatives -- notably work and TV -- Americans seem ever less willing to devote their time and attention to page after page of silent black type.⁵

Careful scripting on the part of the carrier in making the request for consent can insure that the customer knows his/her rights and that the customer's consent was intentional. We therefore suggest that the commission require that oral consents - whether recorded or live operator verified - follow a verbatim script subject to review and that they contain certain elements to insure customer comprehension. We advocate that the notification of the customer's rights and the request for CPNI use be made in the same call, since this helps insure that the customer knows both what is being requested and the options available. A sample script is included in the appendix.

We also suggest that the commission impose the same requirements in a non-English oral consent as it does in non-English direct mail for PIC changes, that is, that if the carrier's call is conducted in a specific language, that the notification and consent request also be in that language.

Advantage #2 The audio recording provides a better record.

Audio records provide a verbatim record as complete as any written authorization can. In addition, audio recordings provide better information than live operator third party verification, and even written notification and consent, such as indications of the customer's state of mind (is the customer confused? do they understand the request the carrier is making?), as well as the carrier's method of obtaining the consent. As one author noted:

From the perspective of the legal system as a whole, there is an important substantive advantage to the use of audio recordings as evidence. To the degree that an audio recording offered in evidence presents a fair and accurate aural record, it improves the overall means by which information is communicated to the trier of fact. In other words, it permits the trier of fact to directly experience a nearly exact, electronically recorded, representation of those sounds, whether speech or otherwise, which are deemed relevant and admissible. Thus, the trier of fact's direct exposure to the voice characteristics and response-time patterns of those whose voices are recorded represents a vast increase in both the quantity and quality of information communicated when compared to a witness recalling what he or she heard... As one court wrote, "Human nature and memories being what they are, the tape would ordinarily be the most accurate evidence of what occurred in the conversation."⁶

In addition, recordings remains accurate over time, compared to live operator verification which depends on human memories. Since most live operator third party verification systems use call centers whose

⁴ "Teaching immigrants English: growing needs and shrinking resources", Zimmerman, Migration World Magazine, March-June 1994 v22 n2-3 p13(4)

⁵ "America won't win till it reads more", Sherman, Fortune, Nov 18, 1991 v124 n12 p201(3)

⁶ Gruber, Poza & Pellicano, "Audio Recordings: Evidence, Experts and Technology", Am Jur Trials, 48:1, 164-165

employees handle hundreds of verification calls each week, there is little chance that the operators in these centers can recognize the "customer's" voice.

Advantage #3: Third-party recordings are comparatively free from manipulation.

By manipulation, we mean falsification, alteration, or fabrication of customer consent. Signatures may be forged or may be distorted - for example, if they are gathered by facsimile - to be unreadable.⁷

Audio recordings can also be manipulated, but manipulation of audio recordings is expensive and requires special equipment, discouraging would-be fabricators.⁸ In addition, the requirement to administer the recording equipment and maintain the recordings by a third party greatly reduces the probability of tampering. Possession by a third party also assists in laying the foundation for the admissibility of the recording as evidence, by establishing the "chain of custody".⁹

Advantage #4: Records can be efficiently accessed and reviewed when necessary

In those instances in which a customer has a question regarding his/her provision of consent, or challenges whether he or she provided such consent, the nature of the recording system allows for rapid and convenient review using any telephone. This allows carriers to play back customer consent transactions to customers or regulators very quickly, without having to fax or mail copies of documentation.

As one observer noted in a different context: "A VoiceLog audio recording [one of the suppliers of a recording service bureau] of a telephone transaction offers many advantages over other methods of verification. The recording process helps the client to understand the nature of the transaction, it provides for faster order fulfillment and allows the customer, the bank and regulators to access the information at anytime."¹⁰

Advantage #5: Recordings can gather consents economically, efficiently and effectively for carriers.

Recorded oral consents are far less expensive than other methods of documenting the customer's consent for CPNI use. For example, based on our experience, assuming an optimistic 10% response rate, gathering such consents by direct mail would cost \$6.00 per obtained consent at the very least and probably much more. By contrast, the incremental cost of recording the customer's consent as part of a call with a customer could be less than \$1. Recorded consents should also be less expensive than live operator verification, although the cost comparison is not as dramatic.

I hope these comments are useful to you.

Respectfully submitted,

James Veilleux
President, VoiceLog LLC

⁷ (For an interesting discussion of forgery techniques, see Renee Martin, "Forgery Prevention Tips", Forensic Forgeries Forum, 1996, www.forgerynet.com/tips.htm)

⁸ For an excellent discussion of manipulation of audio recordings, see Gruber, Poza & Pellicano, 168-300

⁹ Gruber, Poza & Pellicano, 563-4

¹⁰ "Accelerated Payment Systems and VoiceLog Announce Market Test Agreement", PR Newswire, August 15, 1996

Appendix #1

Sample Script

Carrier representative: Mr. Customer, there are a few items I want to go over with you that we want to record for verification purposes. Would you please hold while I activate the recording system?

Customer response.

Recording system: *Welcome to the VoiceLog telephone confirmation system. The VoiceLog system provides independent documentation of the information provided on this telephone call. After the tone, your call will be recorded until you hit the # key on the telephone. Please begin speaking after the tone.*

Carrier representative: Mr. Customer, because we will be your service provider and will have access to your account information, from time to time XYZ Telecommunications Corporation and its affiliated companies may be able to offer you new products and special promotional opportunities that are tailored to your needs, based on that information. You have the right, if you wish, to tell us not to use that information for these offerings, but we would like to use the information so we can both offer you services we think are useful to you and avoid soliciting you for services that you don't need. May we use the information in your account to help develop and offer services you may be interested in?

Customer response.

Carrier representative: For verification purposes, please state your name and telephone number or numbers for the account we are discussing:

Customer response.

Carrier representative: And could you state your address?

Customer response.

Carrier representative: Thank you for your help, Mr. Customer, you may want to note the confirmation number that the system will now give us. #

Recording system: *Your VoiceLog confirmation number is XXXXXXXX.*

Carrier enters confirmation number in the customer's record.

(Note that unlike third party verification, which requests confirmation data such as date of birth or social security number, and which many consumers might find intrusive, recorded authorization can be confirmed by the voice of the customer.)



Third Party Verification

In this paper, VoiceLog LLC shows how VoiceLog's process of third party verification described below ("the VoiceLog procedures") meets the requirements of 47 CFR Section 64.111. VoiceLog is in the business of providing recording services, including transaction verification services for interchange carriers. VoiceLog and certain interexchange carriers are confident that VoiceLog's procedures meet the regulation's requirements. Nonetheless, we have asked the FCC staff's opinion on this matter, both to satisfy these carriers' desire to have the FCC staff's confirmation of their views and to assure other carriers who may be less willing to consider VoiceLog's services without some indication of the FCC staff's views.

The VoiceLog procedures verify PIC change authorizations by providing independent third-party recordings of scripted requests for the customer's oral authorization to a PIC change (read either by a carrier representative or by VoiceLog's interactive recording system) and the customers' responses. A sample script is provided at the end of this document.

In using VoiceLog, the carrier's representative sets up a three-way call between the customer, the carrier and the recording system. The VoiceLog system plays an announcement that the conversation will be recorded and then begins recording, at which point, the carrier's telephone representative asks scripted questions to confirm the necessary information about the customer's account and that the customer wishes to change his/her long distance carrier. (VoiceLog also has the capacity to ask the scripted questions itself, recording the customer's responses both orally and through keyed-in responses, and reporting those responses to the carrier just as a human questioner would.) After the conversation is completed, the VoiceLog system generates a random identification number or uses the customer's telephone number, which the carrier representative enters into the customer record. The identification number is then used to locate the transaction recording when replay is needed.

We believe the VoiceLog procedures satisfy 47 CFR Section 64.111, as explained below:

First, we believe the procedures listed here satisfy each of the five requirements stated in 47 CFR Section 64.1100 (c). Second, having reviewed the record, we believe that the VoiceLog procedures meet the intent of the regulation and accomplish the aims of the Commission to an equal or greater degree than the other verifications methods sanctioned by the regulation.

I. VOICELOG SATISFIES THE FIVE REQUIREMENTS OF 47 CFR 64.111

47 CFR Section 64.1100 (c) describes the third-party verification procedure by which a carrier may meet its obligation to verify PIC changes:

(c) An appropriately qualified and independent third party operating in a location physically separate from the telemarketing representative has obtained the customer's oral authorization to submit the PIC change order that confirms and includes appropriate verification data (e.g. the customer's date of birth or social security number); or...

As we read the regulation it contains five requirements: (1) the third party is "appropriately qualified", (2) it is independent, (3) it operates in a location physically separate from the telemarketing representative, (4) it has obtained the customer's oral authorization, and (4) the authorization confirms and includes appropriate verification data. In our opinion, the VoiceLog procedures meet all five of these requirements.

1. The VoiceLog system is "appropriately qualified".

In the NPRM from which the rule was developed (Docket 91-64), the only qualification listed is that the verifier be capable of handling large volumes of transactions, which the VoiceLog system can easily do - current capacity for the system provides for over 5,000 transactions per hour, and additional capacity can easily be added.

More generally, recording systems are well established in the law as an appropriate means of documenting transactions:

Audio recordings, unlike video recordings, have long been regarded as independent, substantive evidence, and those recordings that are a fair representation of a transaction, conversation, or occurrence are generally admissible. In principle, therefore, there is no reason why audio recordings might not be used as substantive evidence in virtually every type of legal context, including, but not limited to criminal and civil lawsuits, administrative hearings, arbitrations [sic], and local government hearings.¹

A recent example of the use of audio recordings by regulators is the Federal Trade Commission's Telemarketing Sales Rule², which provides for recordings as documentation of a customer's oral authorization to have his or her checking account debited. The Kentucky Public Service Commission has also recently required recordings as part of the third party verification process for PIC changes in that state³.

2. The VoiceLog system is independent.

The VoiceLog system is a recording service bureau, operating on a contract basis to interexchange carriers. There is no ownership interest by the carriers in the service bureau, nor does VoiceLog provide any telemarketing services for IXC's.

¹ Gruber, Poza & Pellicano, "Audio Recordings: Evidence, Experts and Technology", Am Jur Trials, 48:1, 139-140.

² 16 CFR Section 310.3(a)(3)(ii).

³ 807 KAR 5:062.

3. The VoiceLog system operates in a location physically separate from the telemarketing representative.

The VoiceLog system is based in Minneapolis, Minnesota - far from the vast majority of IXC telemarketers. Any future VoiceLog locations will also be separate from IXC telemarketing operations.

4. The VoiceLog system obtains the customer's oral authorization.

VoiceLog's recording of the customer's authorization to a PIC change is an independent "obtaining", regardless of who asks the questions of the customer. The American Heritage Dictionary defines "obtain" as: "To succeed in gaining possession of as the result of planning or endeavor; acquire."

Once the customer has agreed to the PIC change on the recording, the VoiceLog system has possession of the customer's oral authorization. The proof of its possession is that VoiceLog can replay the customer's authorization on a moment's notice, from any touch-tone telephone. In this regard, VoiceLog's possession is superior to human operator verification, which can only retrieve a computer record notation.

Furthermore, the possession is independent of who asks the questions. In practice, verification takes the form of asking the customer a series of scripted questions which confirm the customer's agreement. VoiceLog independently obtains the authorization even if the script is read by the IXC representative. As an independent third-party, VoiceLog retains the recorded authorization, keeping it available for replay and protecting it from alteration.

Finally, the authorization itself is in no way undermined by the fact that the IXC representative is the person asking the confirmation questions. The questions being asked, as well as the tone and clarity with which they are presented, is captured by the VoiceLog recording, ensuring the validity of the authorization obtained.

Alternatively, the VoiceLog system can be programmed to state the questions and record the answers itself, eliminating the IXC representative's role in the verification process. In this way, the VoiceLog system would perform exactly the same steps as human operator third party verification systems do today. If the customer changes his or her mind and does not verify the PIC change, that information is reported back to the carrier in a manner similar to human operator verification.

5. The authorization obtained by VoiceLog confirms and includes appropriate verification data.

VoiceLog's scripting follows that used today in human operator verification⁴.

⁴ (Note: it appears that AT&T and MCI use different scripts from those originally presented in docket 91-64. We have recently been telemarketed and verified both by AT&T and MCI and noted these differences: (1) we were

The above arguments demonstrate the VoiceLog procedures meet the literal requirements of the regulation. Moreover, having reviewed the record, we believe that the VoiceLog procedures meet the spirit behind the regulation as well.

II. THE VOICELOG PROCEDURES MEET THE SPIRIT BEHIND 47 CFR 64.111.

A comprehensive review of the record and the resulting regulation makes clear that the Commission's objective was to balance two competing objectives: to protect consumers from unauthorized PIC changes and to enable vigorous competition among interexchange carriers. This is why the Commission provided for four separate methods of verification and allowed carriers the choice of which method best meets their needs.

Significantly, many commenters - especially those whose primary interest was in protecting consumers from unauthorized PIC changes - supported written, signed confirmation as the preferred method of insuring that customer wishes were followed. The problem cited with requiring a signature is that most consumers do not return the signed document⁵. The three other methods of verification in the regulation are the commission's attempt to provide choices that overcome the consumer's lack of cooperation with signed confirmation without sacrificing the objective of ensuring that customer wishes are followed.

A recorded conversation with the customer stating his/her intention to change long distance carriers offers the best alternative to a signed letter of authorization. It both provides unambiguous evidence that the customer agreed to the change and is more available than human operator third party verification. In particular, the VoiceLog procedures documented here ensure that the customer is informed properly and that the authorization is unambiguous.

VoiceLog also furthers the Commission's objectives of encouraging vigorous competition. Because the VoiceLog system requires no capital investment for a carrier, is less expensive per transaction than human operator verification, and is administratively simple for carriers to implement, it eliminates unnecessary barriers to new entrants and costs which must ultimately be borne by customers.

1. The VoiceLog procedures provide superior protection against unauthorized PIC changes.

A. The VoiceLog procedures provide a better record.

Audio records provide a verbatim record as complete as any written authorization. In addition recordings provide more information than human operator third party verification, such

transferred to the third party verifier by the telemarketer, rather than called independently after the telemarketing call, (2) the verifier did not identify himself as being from a separate company.)

⁵ We have other problems with signed authorization, including its inappropriateness for functionally illiterate consumers - a population currently estimated at 44 million adults (see "Survey of adult literacy", Society, Jan-Feb 1994 v31 n2 p2(2)). For these consumers, a recorded oral process is actually superior.

as indications of the customer's state of mind (is the customer confused? do they understand the request the carrier is making?), as well as the carrier's method of obtaining the consent. In fact, the audio recording provides more information than a written record, and certainly more information than human operator verification:

From the perspective of the legal system as a whole, there is an important substantive advantage to the use of audio recordings as evidence. To the degree that an audio recording offered in evidence presents a fair and accurate aural record, it improves the overall means by which information is communicated to the trier of fact. In other words, it permits the trier of fact to directly experience a nearly exact, electronically recorded, representation of those sounds, whether speech or otherwise, which are deemed relevant and admissible. Thus, the trier of fact's direct exposure to the voice characteristics and response-time patterns of those whose voices are recorded represents a vast increase in both the quantity and quality of information communicated when compared to a witness recalling what he or she heard... As one court wrote, "Human nature and memories being what they are, the tape would ordinarily be the most accurate evidence of what occurred in the conversation."⁶

Since most human operator third party verification systems use call centers whose employees handle hundreds of verification calls each week, there is little chance that the operators in these centers can recognize the customer's voice or even remember the specific conversation.

There are other aspects to the quality of the record. Unlike human operator verification, the procedures described here are not as subject to variations in quality among human verifiers. Compared to all but signed authorization, recordings are not as likely to be erroneously denied by consumers (a problem cited by many interexchange carriers). Finally, they are not as subject - as the mailed confirmation process in subparagraph (d) is - to the vagaries of delivery in the US Mail.

B. The VoiceLog procedures provide a better audit trail for carriers' internal management.

In the VoiceLog system, each recording is assigned an identification number and is date and time stamped. Recordings are stored in duplicate on electromagnetic hard disks and are archived on magnetic tape each night. Recorded conversations are available for instant retrieval by touch-tone telephone for four months and then 24 hour retrieval for the next 32 months.

Because VoiceLog audio recordings are verbatim and easily retrieved, carriers can monitor the dialogue between customers and questioner (whether the sales representative or the system) directly. This makes it easier to spot attempts at circumvention. For example, we have heard of telemarketing representatives recruiting associates to impersonate customers. Sequential replay of a specific telemarketing representative's confirmation calls would enable a supervisor or quality control manager to recognize the same "customer" voice across calls, enabling the carrier to better control its personnel. The use of statistical sampling techniques is also made easier with the VoiceLog process, since calls can be easily retrieved at random.

⁶ Gruber, Poza & Pellicano, "Audio Recordings: Evidence, Experts and Technology", Am Jur Trials, 48:1, 164-165

C. Third-party recordings are comparatively free from manipulation.

By manipulation, we mean falsification or fabrication of customer consent.

All four methods of verification are subject to falsification - signatures can be forged, the records of electronic verification can be fabricated, human operator third party verification can be manipulated a number of ways, and the mail verification process is highly vulnerable to fraud, since there is no audit trail to US Mail delivery.

Audio recordings can also be manipulated, but manipulation is expensive and requires special equipment, discouraging would-be fabricators.⁷ In addition, the requirement to administer the system by a third party greatly reduces the probability of tampering. Possession by a third party also assists in laying the foundation for the admissibility of the recording as evidence, by establishing the "chain of custody".⁸

D. VoiceLog records can be efficiently accessed and reviewed when necessary.

In those instances in which a customer has a question regarding his/her PIC change authorization, or challenges whether he or she provided such authorization, the nature of the recording system allows for rapid and convenient review using any telephone. This allows carriers to play back transactions to customers or regulators very quickly, without having to fax or mail copies of documentation. In contrast, human operator verifiers may not be available due to employee turnover and, in any case, the record is far less complete.

As one observer noted in a different context: "A VoiceLog audio recording of a telephone transaction offers many advantages over other methods of verification. The recording process helps the client to understand the nature of the transaction, it provides for faster order fulfillment and allows the customer, the bank and regulators to access the information at anytime."⁹

2. The VoiceLog procedures enhance vigorous competition.

A. VoiceLog requires no capital investment for carriers.

Since VoiceLog operates as a service bureau, all that is necessary to use the service is a touch-tone telephone capable of three-way calling. There is no additional equipment required.

⁷ For an excellent discussion of manipulation of audio recordings, see Gruber, Poza & Pellicano, 168-300

⁸ Gruber, Poza & Pellicano, 563-4

⁹ "Accelerated Payment Systems and VoiceLog Announce Market Test Agreement", PR Newswire, August 15, 1996

B. VoiceLog is less expensive than human operator third party verification.

VoiceLog-recorded oral authorizations are far less expensive than human operator third party verification, averaging \$0.45 - \$0.85 per transaction, compared with human operator verification, which can often cost up to \$4.00 or more per transaction. This increases the opportunity for other companies to compete and lowers a cost of doing business which would have to be passed on to consumers.

C. VoiceLog is administratively simple.

VoiceLog can use either randomly generated identification numbers or the customer's telephone number for record retrieval. All the carrier needs is the ability to receive the confirmation record, much as it does with human operator verification today, and the customer's telephone number, which is already part of its records. There is little, if any, additional work required.

Summary & Conclusion

VoiceLog LLC has requested that the FCC staff confirm that the VoiceLog procedures outlined here meet the requirements of 47 CFR Section 64.111 (c) so that carriers who use the VoiceLog procedures in good faith may do so without uncertainty regarding compliance, whether the scripted authorization questions are asked by a carrier representative or by the VoiceLog system. In the alternative, if the FCC is not prepared to provide this confirmation at this time, we have asked that the FCC confirm that they would not take enforcement action against a carrier using these procedures to verify PIC changes.

Appendix #1 - Sample Script With Telemarketing Representative Asking Questions

Carrier representative: Mr. Customer, for your protection, I need to confirm that you do want to change your long distance carrier to XYZ Long Distance, by recording your authorization. The FCC requires proof of authorization to protect you. Would you please hold while I activate the recording system?

Recording system: *Welcome to the VoiceLog telephone confirmation system. The VoiceLog system provides independent documentation of this telephone call. After the tone, your call will be recorded until you hit the # key on the telephone. Please begin speaking after the tone.*

Carrier representative: OK, Mr. Customer, please state your name and telephone number:

Customer response.

Carrier representative: And are you the authorized person to determine which long distance carrier is assigned to that telephone number?

Customer response.

Carrier representative: Mr. Customer, I want to confirm that you do, in fact, wish to change your long distance carrier to XYZ Telecommunications Corporation. Is that right?

Customer response.

Carrier representative: I also need to confirm your understanding that the local telephone company will charge you a fee for changing your long distance company, and that XYZ Telecommunications will send you a check to pay for the change fee. Do you understand this?

Customer response.

Carrier representative: And could you state your address?

Customer response.

Carrier representative: OK, last, for identification purposes, I need your social security number or the month and date of your birthday.

Customer response.

Carrier representative: Thank you for your help, Mr. Customer, you may want to note the confirmation number that the system will now give us. #

Recording system: *Your VoiceLog confirmation number is XXXXXXXX.*

Carrier enters confirmation number in the customer's record.

Carrier representative: Thank you very much, Mr. Customer.

Appendix #2 - Sample Script Using System Generated Questions

Carrier representative: Mr. Customer, for your protection, I need to confirm that you do want to change your long distance carrier to XYZ Long Distance, by recording your authorization. The FCC requires proof of authorization to protect you. I will now transfer you to an automated system that will ask you some questions and record your answers. Would you please hold while I activate the recording system?

VoiceLog system: *Welcome to the VoiceLog telephone confirmation system. The VoiceLog system provides independent documentation of this telephone call. After the tone, your call will be recorded until you hit the # key on the telephone. Please follow the prompts. Using the touch-tone key pad, please enter your ten digit telephone number.*

Customer response:

VoiceLog system: Please state your name and telephone number:

Customer response.

VoiceLog system: Please say "yes" if you are the authorized person to determine which long distance carrier is assigned to this telephone number?

Customer response.

VoiceLog system: To confirm that you do, in fact, wish to change your long distance carrier to XYZ Telecommunications Corporation, please say "yes".

Customer response.

VoiceLog system: To confirm your understanding that the local telephone company will charge you a fee for changing your long distance company, and that XYZ Telecommunications will send you a check to pay for the change fee, please say "yes".

Customer response.

VoiceLog system: Please state your address.

Customer response.

VoiceLog system: Last, for identification purposes, please state the last four digits of your social security number or the month and date of your birthday.

Customer response.

VoiceLog system: Thank you for using the VoiceLog system. Your confirmation number is your telephone number. If you wish to review this transaction, you may call XYZ Long Distance and ask them to replay the recording using your telephone number.

Appendix #3

Third Party Verification Requirements

47 CFR Section 64.1100

No IXC shall submit to a LEC a primary interexchange carrier (PIC) change order generated by telemarketing unless and until the order has first been confirmed in accordance with the following procedures:

...or

(c) An appropriately qualified and independent third party operating in a location physically separate from the telemarketing representative has obtained the customer's oral authorization to submit the PIC change order that confirms and includes appropriate verification data (e.g. the customer's date of birth or social security number); or...